

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 3027 – HB 3263

March 21, 2012

SUMMARY OF AMENDMENT (014486): Deletes the definition of “purchaser” relative to the beef industry. The original bill changes the date by which purchasers must submit the amount of funds withheld from producers, from within 10 days after the end of the month, to a date established by the Commissioner of the Department of Agriculture (TDOA). Prohibits, for each head of cattle purchased, the levying of an assessment on someone whose only share in the proceeds of a sale is a sales commission or fee, and who has delivered the cattle to facilitate transfer of ownership. Requires the purchaser to resell the cattle within 10 days of acquiring ownership, and to certify such to TDOA. Requires the Commodity Promotion Board to file an annual report on the date specified by the Commissioner, rather than each January. Increases, from nine to twelve, the number of members on the Tennessee Beef Promotion Board. Renames the Tennessee Beef Industry Council as the Tennessee Beef Promotion Board (Board).

CORRECTED FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumptions applied to amendment:

- Pursuant to Tenn. Code Ann. § 43-29-102(b), the Beef Promotion Board is an independent promotion board, funded through assessments paid by private-party members.
- Assessments are remitted to the Department of Agriculture (TDOA). Pursuant to Tenn. Code. Ann. § 43-29-109, the Department is authorized to retain up to five percent of the assessment to cover TDOA collection expenses.
- TDOA holds any remaining assessment funds in escrow for 90 days, at which time the funds are remitted to the Board. This bill will not affect the policies or procedures of TDOA.
- Any increase in expenditures for the costs associated with additional Board members will be paid by the private-party members through increased assessments.
- Therefore, the fiscal impact to state government is not significant.

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CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" written in a larger, more prominent script than the last name "Geise".

Lucian D. Geise, Executive Director

/sbh